

**OMBETJA YEHINGA ORGANISATION  
TRUST**  
(Registration No. T101/09)

**ANNUAL FINANCIAL STATEMENTS**  
31 December 2019

# **OMBETJA YEHINGA ORGANISATION TRUST**

(Registration No. T101/09)

## **ANNUAL FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**These annual financial statements include statements which have been audited in compliance with the International Financial Reporting Standards for Small and Medium sizes Enterprises where appropriate to the Trust and are presented as follows:**

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Statement of changes in equity	9
Statement of cash flows	10
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### **Preparation of financial statements**

These financial statements were prepared by:

Strategis Registered Accountants and Auditors

# OMBETJA YEHINGA ORGANISATION TRUST

## GENERAL INFORMATION

Company name	Ombetja Yehinga Organisation Trust
Registration number	T101/09
Country of incorporation and domicile	Namibia
Nature of business and principal activities	The organisation aims at using arts (both visual and performing) with young people to create social awareness, and thereby to decrease the impact of the HIV/AIDS pandemic and other social problems such as domestic violence, rape and alcohol and drug abuse, among young people in Namibia.
Trustees	S.N. lipinge K.D. Newton S.F. Rudd P. Watson C.A. Guriras T.M. Kueyo S.D.L. Izaaks P.R.J. Talavera (ex officio)
Registered office	Erf number 4 Babie Street Suiderhof Windhoek Namibia
Postal address	P.O Box 97217 Windhoek Namibia
Bankers	Nedbank Namibia Pointbreak Wealth Management
Auditors	Strategis Registered Accountants and Auditors Chartered Accountants (Namibia)
Registration numbers Pay-As-You-Earn (PAYE)	034026601-4

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OMBETJA YEHINGA ORGANISATION TRUST**

### **Opinion**

We have audited the financial statements of Ombetja Yehinga Organisation Trust set out on pages 7 to 14, which comprise the statement of financial position as at 31 December 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ombetja Yehinga Organisation Trust at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Enterprises where appropriate to the Trust.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (PAAB Code) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the PAAB Code and in accordance with other ethical requirements applicable to performing audits in Namibia. The PAAB Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the Trustees' Report as required by International Financial Reporting Standard for Small and Medium-sized Enterprises where appropriate to the Trust. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Trustees for the financial statements**

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Supplementary information**

Without qualifying our opinion, we draw attention to the fact that the supplementary schedules set out on page 15 do not form part of the financial statements and are presented as additional information. We have not audited these schedules and accordingly we do not express an opinion on them.

Strategis  
Registered Accountants and Auditors  
Chartered Accountants (Namibia)  
Per: T. Mashozhera  
Partner

Windhoek  
16 March 2020

# OMBETJA YEHINGA ORGANISATION TRUST

## TRUSTEE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

### General review

#### Statements of responsibility

The Trustees have pleasure in submitting their report together with the annual financial statements for the year ended 31 December 2019.

#### Financial results

The results of the trust for the year under review are fully set out in the attached financial statements and require no further comment.

#### Events after the end of the reporting period

No material fact or circumstance, which requires comment, has occurred between the reporting date and the date of this report.

#### Approval of the financial statements

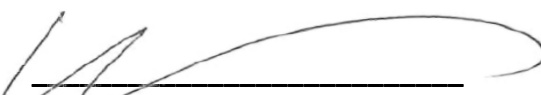
The Trustees are responsible for the maintenance of adequate accounting records, the selection of accounting policies and the preparation and integrity of the annual financial statements and other information set out in this report.


The financial statements were prepared in conformity with generally accepted accounting practice applied on a basis which is consistent with the previous year.


The financial statements set out on pages 7 to 14 have been approved by the Trustees and are signed accordingly on the 16th of March 2020.


  
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S.N lipinge


  
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S.F Rudd


  
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C.A Guriras

  
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S.D.L Izaaks

  
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K.D Newton

  
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P. Watson 8.5.2020

  
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T.M Kueyo

  
\_\_\_\_\_  
P.R.J. Talavera (ex officio)

# OMBETJA YEHINGA ORGANISATION TRUST

## STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2019

	Notes	2019 N\$	2018 N\$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	407,420	700,863
		<u>407,420</u>	<u>700,863</u>
<b>Current assets</b>			
Prepayments and other receivables	4	384,111	785,414
Bank, cash and cash equivalents	5	20,682	20,682
		<u>363,429</u>	<u>764,732</u>
<b>Total assets</b>		<u>791,531</u>	<u>1,486,277</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Retained earnings		754,105	1,450,695
		<u>754,105</u>	<u>1,450,695</u>
<b>Current liabilities</b>			
Trade and other payables	6	37,426	35,582
		<u>37,426</u>	<u>35,582</u>
<b>Total equity and liabilities</b>		<u>791,531</u>	<u>1,486,277</u>



# OMBETJA YEHINGA ORGANISATION TRUST

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 N\$	2018 N\$
<b>Income</b>			
Revenue		4,920,493	4,239,184
Other income		<u>237,849</u>	<u>125,747</u>
<b>Total income</b>		<u>5,158,342</u>	<u>4,364,931</u>
<b>Expenses</b>			
Operating expenses		(5,851,663)	(6,124,249)
Finance expenses		<u>(3,269)</u>	<u>73</u>
<b>Net (loss) for the year</b>		<u><u>(696,590)</u></u>	<u><u>(1,759,245)</u></u>

# OMBETJA YEHINGA ORGANISATION TRUST

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	<b>Note</b>	<b>Retained earnings N\$</b>	<b>Total N\$</b>
Balance at 31 December 2017		3,209,940	3,209,940
Net loss for the year		(1,759,245)	(1,759,245)
Balance at 31 December 2018		<u>1,450,695</u>	<u>1,450,695</u>
Net loss for the year		(696,590)	(696,590)
Balance at 31 December 2019		<u><u>754,105</u></u>	<u><u>754,105</u></u>

# OMBETJA YEHINGA ORGANISATION TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 N\$	2018 N\$
<b>Net cash withdrawn from operating activities</b>		(516,303)	(1,118,268)
Cash receipts from customers		4,920,493	4,339,113
Cash paid to suppliers and employees		(5,556,298)	(5,583,201)
<b>Cash generated from operating activities</b>	7.1	(635,805)	(1,244,088)
Interest received		16,753	26,416
Interest paid		(3,269)	73
Sundry income		106,018	99,331
<b>Cash flows from investing activities</b>		115,000	1,300
Disposal of property, plant and equipment		115,000	1,300
<b>Net decrease in cash and cash equivalents</b>		(401,303)	(1,116,968)
<b>Cash and cash equivalents at beginning of year</b>		764,732	1,881,700
<b>Cash and cash equivalents at end of year</b>	7.2	363,429	764,732

# OMBETJA YEHINGA ORGANISATION TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 1. General information

Ombetja Yehinga Organisation Trust is a company, incorporated in Namibia. The address of the registered office of the company is Erf number 4 Babie Street, Suiderhof. Its principal business activity and operations is to create social awareness using art, while the organisation's head office and administrative office is in Windhoek, operations are nationwide.

### 2. Basis of preparation and accounting policies

The basis of preparation and principal accounting policies of the company, are consistent in all material respects with those applied in the previous year, except as otherwise indicated.

#### *Basis of preparation*

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of Namibia. They are presented in Namibian Dollars.

#### *Property, plant and equipment*

Property, plant and equipment are tangible assets that:

- (a) are held for use in the supply of services, for rental to others, or for administrative purposes, and
- (b) are expected to be used during more than one period.

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of an item is its cash price equivalent at the recognition date.

The trust adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits. The carrying amount of the replaced part is also derecognised. All other repairs and maintenance and servicing costs are charged to profit or loss as incurred.

Depreciation on other assets is charged to profit or loss so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

# OMBETJA YEHINGA ORGANISATION TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	Useful life
Computer equipment	3 years
Office equipment	10 years
Motor vehicles	5 years
Furniture and fittings	10 years

### *Cash and cash equivalents*

Cash and cash equivalents includes cash at bank.

### *Leased assets*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

### *Revenue*

Revenue comprises the fair value of grants received and invoice value of services provided, recorded in the financial statements at the date services are provided and grants are received.

Revenue from the rendering of services is recognised on an accrual basis in accordance with the substance of the agreement.

### *Cash flows*

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks.

### **3. Property, plant and equipment**

	<b>2019</b>			<b>2018</b>		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Computer equipment	476,882	(476,882)	-	476,882	(434,612)	42,270
Office equipment	20,868	(8,026)	12,842	20,868	(5,999)	14,869
Motor vehicles	1,431,668	(1,037,090)	394,578	1,883,568	(1,244,559)	639,009
Furniture and fittings	160,148	(160,148)	-	160,148	(155,433)	4,715
	<u>2,089,566</u>	<u>(1,682,146)</u>	<u>407,420</u>	<u>2,541,466</u>	<u>(1,840,603)</u>	<u>700,863</u>

# OMBETJA YEHINGA ORGANISATION TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

The carrying amounts for 2019 can be reconciled as follows:

	Carrying value at beginning of year N\$	Additions N\$	Disposals N\$	Accumulate d dep for disposed assets N\$	Depreciation N\$	Carrying value at end of year N\$
Computer equipment	42,270	-			(42,270)	-
Office equipment	14,869	-			(2,027)	12,842
Motor vehicles	639,009	-	451,900	(451,900)	(244,431)	394,578
Furniture and fittings	4,715	-			(4,715)	-
	<u>700,863</u>	<u>-</u>	<u>451,900</u>	<u>(451,900)</u>	<u>(293,443)</u>	<u>407,420</u>

	<b>2019</b>	<b>2018</b>
	<b>N\$</b>	<b>N\$</b>
<b>4. Other receivables and prepayments</b>		
Prepayments	<u>20,682</u>	<u>20,682</u>
<b>5. Bank, cash and cash equivalents</b>		
Bank and cash balances at year end comprise:		
Current account	132,339	683,887
Savings account	231,090	80,845
	<u>363,429</u>	<u>764,732</u>
<b>6. Trade and other payables</b>		
Accruals	<u>37,426</u>	<u>35,582</u>

# OMBETJA YEHINGA ORGANISATION TRUST

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 N\$	2018 N\$
<b>7. Notes to the cash flow statement</b>		
<b>7.1 Reconciliation of net profit before taxation to cashflows from operations</b>		
<b>Net profit before taxation</b>	(696,590)	(1,759,245)
Adjustments for :		
Depreciation	293,443	548,343
(Profit) / loss on disposal of property, plant and equipment	(115,000)	614,675
Sundry income	(106,018)	(99,331)
Interest received	(16,753)	(26,416)
Finance expenses - net	3,269	(73)
Operating profit before working capital changes	<u>(637,649)</u>	<u>(722,047)</u>
Working capital changes		
Decrease in trade receivables	-	598
Increase in trade and other payables	1,844	(522,639)
<b>Cash generated from operations</b>	<u><u>(635,805)</u></u>	<u><u>(1,244,088)</u></u>

### 7.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following amounts:

Bank, cash and cash equivalents	<u>363,429</u>	<u>764,732</u>
Management commentary and amounts in respect of significant cash and cash equivalents that are not available for use by the company.		

### 8. Going concern

The financial statements have been prepared on the going concern basis, since the trustee's have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.

# OMBETJA YEHINGA ORGANISATION TRUST

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 N\$	2018 N\$
Revenue	4,920,493	4,239,184
Grants received	4,920,493	4,239,184
Other income	237,849	125,747
Profit on sale of assets	115,000	-
Foreign exchange gain	78	-
Interest received	16,753	26,416
Sundry income	99,313	90,488
Donation received	6,705	8,843
Total Income	5,158,342	4,364,931
Operating expenses	(5,851,663)	(6,124,249)
Meeting expenses	286	-
Membership fees	750	-
Editing and production expenses	350	-
Travel and entertainment	848,645	155,615
Staff training	2,261	4,484
Security costs	54,706	48,720
Subscriptions	7,722	870
Salaries and wages	2,938,291	2,817,965
Repairs and maintenance	1,035	1,258
Rent paid	268,190	231,010
Project related expenses	875,847	1,153,033
Loss on scrapping of property, plant and equipment	-	614,675
Municipal and property costs	22,194	15,630
Motor vehicle expenses	89,202	96,339
Insurance	80,173	71,409
Depreciation	293,443	548,343
Consulting fees	-	9,955
Cash variance	-	3,001
Advertising	2,645	21,094
Audit fees	40,328	36,550
Accounting fees	196,611	129,151
Telephone, fax and postage	58,068	83,141
Stationary and sundry office expenses	45,959	51,858
Computer expenses	900	10,368
Bank charges	24,057	19,780
Finance expenses	(3,269)	73
Interest paid	3,269	(73)
<b>Net (loss) for the period</b>	<b>(696,590)</b>	<b>(1,759,245)</b>